

# Chapter 2

## PERFORMANCE HIGHLIGHTS



Merafong City  
Annual Report 2008/2009



# PREAMBLE

The Performance Management System framework adopted by Council was fully implemented in accordance with the provisions of the Municipal Systems Act, 2000, the Performance Management Regulations, 2001 and the Municipal Finance Management Act, 2003.

Measurement of the performance in accordance with the needs identified in the IDP and prioritized in the budget for the year of review is aligned to organizational objectives, key performance areas and key performance indicators. This chapter reflects the annual performance of the organization and departments.

An electronic performance management system (e-PMS) was procured and implemented during the year. The implementation of the system entailed the alignment of the organizational and departmental scorecards and the re-designing of scorecards compliant to performance measuring in the automated system. The transition from a paper base system to the automated system posed many challenges. Key performance indicators had to be defined according to the SMART principle and aligned with reliable data sources. Many of the original KPIs were annual indicators pertaining to policies, initiatives or action plans which are measured differently in the e-PMS.

This resulted in the reduction of actual indicators in the scorecards and the operating of a parallel paper based system for the year of review. The electronic scorecards for the 08/09 financial year will form the baseline for the 09/10 scorecards in which indicators will remain unchanged, aligned to the organizational objectives in accordance with the IDP. Targets are reviewed annually with the IDP and performance review process.

Over the past two financial years the Merafong Performance Management System was developed into a system of performance management *vis a vis* performance reporting. The optimization of the system will require change management to transform the organization to a fully compliant, effective and efficient performance driven developmental institution with the required skills and conducive organization culture.

## 2.1 ORGANISATIONAL PERFORMANCE MANAGEMENT

The performance plan defines Council's expectation of the Municipal Manager and departments performance objectives and targets based on the key performance indicators as set in the Integrated Development Plan.



The following table indicates the Organisational Performance for the period of review.

## 2.1 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

Key Performance Area	Performance Indicator	Baseline Information	Target			Progress on date of review
			Time frame	Quality	Quantity	
Good Governance and Public Participation	Procedures for community participation processes as set out in legislation adhered to in terms of:					
	▪ Planning IDP	Process plan adopted	08/09	Process plan implemented	Quarterly reports	100%
	▪ Budgeting	Budget time table approved	08/09	Process plan implemented	Quarterly reports	100%
	▪ Implementation	Quarterly Mayoral Imbizo report back	08/09	Process plan implemented	Quarterly reports	100% - 4 Imbizos held
	▪ Monitoring	Quarterly Mayoral Imbizo report back	08/09	Process plan implemented	Quarterly reports	100% - 4 Imbizos held
	An anti-corruption strategy in terms of national strategy for the municipality is developed and implemented to address:					
	▪ Investigation	Anti-corruption policy/strategy adopted by Council	08/09	Full implementation	Quarterly reports	100%
	▪ Reporting – Follow-up and actions	Anti-corruption policy/strategy adopted by Council	08/09	Full implementation	Quarterly reports	100%
	▪ Audit and risk management committee established	Financial audit committee established and functional	08/09	Full implementation	Quarterly reports	100%
	▪ Performance audit committee established and functional	Performance audit committee established and functional	08/09	Full implementation	Quarterly reports	100%
	▪ Mechanisms to ensure disclosure of financial interest in place	Mechanism to ensure disclosure in place	08/09	Implement mechanisms	100%	100%

Key Performance Area	Performance Indicator	Baseline Information	Target			Progress on date of review
			Timeframe	Quality	Quantity	
Local Economic Development (LED)	An effective communication strategy to promote transparency, public accountability, access to information, administrative justice and responsiveness to complaints are dealt with in terms of the relevant legislation, developed and implemented	No integrated communication strategy in place	08/09	Develop and implement communication strategy	100%	Strategy developed – 100% Implementation in process
	Unqualified audit report achieved and maintained	Qualified report	08/09	Qualified audit report – asset register		100% achieved – only infrastructure asset qualification
	An analysis of the local economy undertaken	Draft strategy completed	08/09	To be approved	Implementation	100% - New strategy development – 100%
	Institutional capacity to implement LED programs established and a conducive environment for shared growth created	75%	08/09	100%	100%	100%
	Sustainable community Investment programs introduced and implemented	Projects identified	08/09	Full implementation	100%	100% - Community projects implemented
	Knowledge sharing networks and social partnerships facilitated	Establish forums	08/09	Forums functioning as per departmental plans	70%	100%
	Integrated service delivery plans	Develop integrated service delivery plans (for all services)	80/09	90%	90%	100%
	Integrated program / project management execution plan	Develop integrated program/project management plan	80/09	60%	60%	Target 100% achieved
	Infrastructure development model developed	Infrastructure development targets met (%)	08/09	80%	Quarterly reviews	80% achieved. Quarterly reports submitted
	Reticulation loss plan developed	Reticulation target met (n)	08/09	1 Plan	Quarterly reviews	Plan developed
Infrastructure Development and Service Delivery						



Key Performance Area	Performance Indicator	Baseline Information	Target			Progress on date of review
			Timeframe	Quality	Quantity	
Infrastructure Development and Service Delivery	The provision of basic municipal services to the satisfaction of residents (That is, clear delivery programs and projects to progressively achieve national service delivery targets in terms of):					
	▪ Water	100% provision in proclaimed areas	08/09	Project implementation in accordance with IDP project list	40%	100%
	▪ Sanitation	Access to basic sanitation – 97% (proclaimed areas)	08/09	Project implementation in accordance with IDP project list	40%	100%
	▪ Refuse removal	Access to basic level of refuse removal services – 95,3% of households (proclaimed areas)	80/09	Project implementation in accordance with IDP project list	40%	100%
	▪ Water	30% provision in un-proclaimed areas	08/09	Project implementation in accordance with IDP project list	45%	90%
	▪ Sanitation	Access to basic sanitation – 35% in un-proclaimed areas	08/09	Project implementation in accordance with IDP project list	40%	60%
	▪ Refuse removal	Access to weekly refuse removal service – 83,3% of households in un-proclaimed areas	08/09	Project implementation in accordance with IDP project list	40%	86%
	▪ Sustainable human settlement development plan	Sustainable target met (n)	08/09	Full implementation with IDP project list	Quarterly review	100% project implementation

Key Performance Area	Performance Indicator	Baseline Information	Target			Progress on date of review
			Timeframe	Quality	Quantity	
Infrastructure Development and Service Delivery	Spatial Development Framework in IDP includes spatial reconstruction policies, environmental, social and demographic trends, land-use policies and representation of sustainable human settlement vision	Review Spatial Development Framework included in IDP	08/09	Review 08/09	Annual reviews	100%
	Electronic management systems developed	Approved system – not automated	08/09	100% aligned	System implemented	System procured
	An organizational structure aligned to the IDP established and operationalised	Fully aligned structure implemented	08/09	100% alignment	100%	Structure alignment – 100% Implementation in progress
	Effective administrative and institutional systems, structures and procedures including: human resources, financial policies, by-laws and communication systems established and implemented	90%	08/09	90%	90%	70%
Municipal Financial Viability and Management	Well structured co-ordinated reports implemented versus required	Structures and systems established	08/09	100%	Quarterly reviews	80%
	<b>Financial management practices implemented in terms of the MFMA priorities and timeframes including but not limited to:</b>					
	<ul style="list-style-type: none"> <li>Budget aligned to development and service delivery targets that municipalities are accountable for as set out in the adopted IDP</li> </ul>	Budget aligned with IDP and SDBIP	08/09	100% alignment	Quarterly reviews	100% done. Adjustment budget approved.
	<ul style="list-style-type: none"> <li>Budget and treasury office established</li> </ul>	Established	08/09	100% functioning		100%
Municipal Financial Viability and Management	<ul style="list-style-type: none"> <li>Budget and management reports developed</li> </ul>	Monthly expenditure reports	08/09	5% variance capital 10% variance operational	Monthly reports	100% submitted. Variance capital: -32% Variance operational: +3,3% (+R22m)

Key Performance Area	Performance Indicator	Baseline Information	Target			Progress on date of review
			Timeframe	Quality	Quantity	
Municipal Financial Viability and Management	<ul style="list-style-type: none"> <li>Financial reporting and auditing is performed</li> </ul>	Monthly financial reports Annual auditing report	08/09	100% reporting	Monthly Annually	100%
	Financial management policies and by-laws developed, including but not limited to: supply chain management, credit control, tariff and investment policies	Policies as required by legislation in place	08/09	100% policy implementation	Annual review	100%
	Integrated financial management systems introduced and operationalised	Integrated financial system operational except procurement system	08/09	100% operational of financial management system		100%
	<b>Municipal financial viability targets set and achieved which will ensure that:</b>					
	<ul style="list-style-type: none"> <li>Growth in service debtors is reduced</li> </ul>	Service debtors growth – 15%	08/09	12,5%	Monthly	-16%
	<ul style="list-style-type: none"> <li>Consumer debt exceeding 90 days is recovered</li> </ul>	85% consumer debt exceeding 90 days	08/09	85%	Monthly	75%
	<ul style="list-style-type: none"> <li>% grant dependency rate</li> </ul>	50% of income represents grants	08/09	50%	50%	35%
	<ul style="list-style-type: none"> <li>Turn around time for creditor payment improved</li> </ul>	30 Days	08/09	30 Days	Monthly	30 days
	<ul style="list-style-type: none"> <li>% Personnel cost over the total operation budget is in line with regulatory framework</li> </ul>	40%	08/09	40%	40%	30,12%
	<ul style="list-style-type: none"> <li>Provision for bad debt made</li> </ul>	100% of uncollectable debt	08/09	100% of debt	100%	100%



Key Performance Area	Performance Indicator	Baseline Information	Target			Progress on date of review
			Timeframe	Quality	Quantity	
Municipal Financial Viability and Management	<ul style="list-style-type: none"> <li>Financial legislation implemented, and complied with, including the Property Rates Act and the Division of Revenue Act</li> </ul>	DORA implemented – 100% Property Rates Act – 80% MFMA – 90% GRAP – 70% Infrastructure asset register – 10% Property register – 20% Immoveable assets and inventory – 70%	08/09	Valuation roll complete – 100%	100% 100% 95% 80% 50% 50%	100% 100% 95% 80% 50% 50%
Internal business excellence	Human Resource development plan developed (n) Plan implemented Monitoring reports required	New indicator	08/09		1 Plan	Plan approved
	Program management plan developed (n) Plan implemented Monitoring reports required	New indicator	08/09		1 Plan Quarterly reports (4)	Plan approved
	Stakeholder relations management plan developed (n) Plan implemented Monitoring reports required	New indicator	08/09		1 Plan Quarterly reports (4)	Plan approved
	Marketing communication plan developed (n) Plan implemented Monitoring reports required	New indicator	08/09		1 Plan Quarterly reports (4)	Plan approved
	Supply chain management plan developed (n) Plan implemented Monitoring reports required	New indicator	08/09		1 Plan Quarterly reports (4)	Plan approved

## 2.1.1 INFRASTRUCTURE DEVELOPMENT

The core function of the department is to provide and maintain municipal essential services and to develop new municipal engineering infrastructure comprising of the following engineering disciplines:

- Electrical Services
- Civil Engineering Services
- Water and Sanitation Services / Water Care Works
- Project Management Unit

Table 2.1.1.1 Access to services

Service	2001	2006	2008	% Change 2001 - 2008	% of population with access
Electricity	36,649	39,629	39,917	8,19% (↑)	45%
Flush toilets	40,541	40,795	69,291	41,49% (↑)	78,6%
Weekly refuse removal	45,620	46,444	88,156	48,25% (↑)	47,69%
Piped water to dwelling	23,060	25,090	25,650	8,8% (↑)	36%
Emergency water and sanitation services (Unproclaimed areas)		17,319	18,867	8,2%(↑)	100% of Informal Areas

Source: Statistics South Africa, 2001

## SECTION: ELECTRICAL ENGINEERING

### Distribution Statistics

The load growth showed a decrease from an average of 43.51MVA in 2007/08 to 42.41MVA in 2008/09. Merafong City utilized 225.06GWh in 2007/08 compared to 224.31GWh in the year 2008/09.

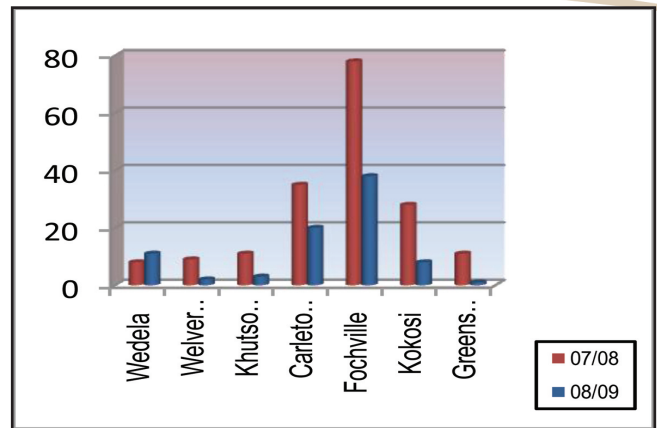
As can be deduced from the above, the electricity consumption decreased slightly which can be attributed to consumers utilizing energy wisely due to the massive tariff increases experienced in the 2008/09 financial year. Of the total consumption, 116.39GWh were utilized by the domestic consumers where 72.48GWh was utilized by the Business sector and Council utilized 14.09 GWh.

The purchase price of electricity from the National Distributor, Eskom, increased by 25.71% from R43.96 million in 2007/08 to R59.17 million in 2008/09. This increase was in line with the NERSA approved Eskom price increase of 34.2% for the financial year 2008/09. Council had projected and budgeted R60.34 million for the year where R59.17 was spent. Council purchased 224.31GWh from Eskom and sold/utilized 202.96GWh. This translated into an expenditure of R59.17 million with an income of R106.77 million on billed energy sales.

The electricity losses for the year 2008/09 as a factor of sales and purchases amounted to 9.52% .which is within the National Energy Regulator OF South Africa (NERSA) prescribed limit of 6 – 10%.

Table 2.1.1.2 New Electrical Connections completed per supply area

Area	Connection 07/08	New Connections 08/09
Wedela	8	11
Wolverdiend	9	2
Khutsong South	11	3
Carletonville	35	20
Fochville	78	38
Kokosi	28	8
Greenspark	11	1
<b>TOTAL</b>	<b>179</b>	<b>85</b>



Source: Electrical Engineering Section, Merafong City

## SECTION: CIVIL ENGINEERING SERVICES

This section comprises of the following sub-sections:

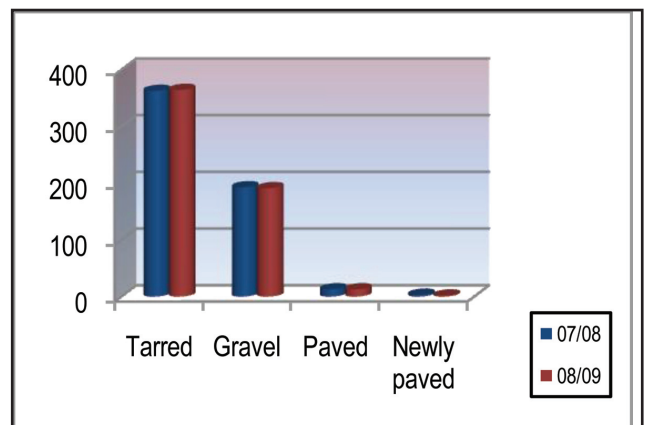
- Roads & Storm Water
- Public Works
- Building Control

### Roads & Storm Water

Merafong City Road Network consists of 569, 97km of road network. The road surfaces varies as follows: Tarred Roads (364,44km) gravel roads (191,02km) blocked paved roads (12.7km) and newly paved roads (3,4km).

Table 2.1.1.3 Road Network

Type of road	KM 07/08	KM 08/09
Tarred	362.64	364.44
Gravel	192.62	191.02
Paved	12.70	12.70
Newly paved (tar & paving)	3.1	3.4



Source: Civil Engineering Section, Merafong City

### Public Works

Maintenance was done on all municipal buildings and facilities during the 08/09 financial year in accordance with the maintenance program and within the budget limitations.

Further to the maintenance program a total of 206 ad hoc maintenance projects were executed within the budget.

### Building Control

The value of building plans approved during the year increased from R119,063,700 in 2007/2008 to R128,803,900 in 2008/2009 (excluding subsidy housing projects). The value of building plans approved (housing subsidy projects included) increased from R114,583,700 in 2007/2008 to R130,423,900 in 2008/2009.



Table 2.1.1.4 Value of building plans approved and buildings completed in the formal sector (subsidy housing projects not included)

Year	Building plans approved (R)	Buildings completed (R)
2005	87,420,500	29,519,700
2006	124,176,900	44,544,350
2007	119,063,700	57,071,500
2008	128,803,900	69,418,500
<b>TOTAL</b>	<b>459,465,000</b>	<b>200,554,050</b>

Source: Building Control Section, Merafong City

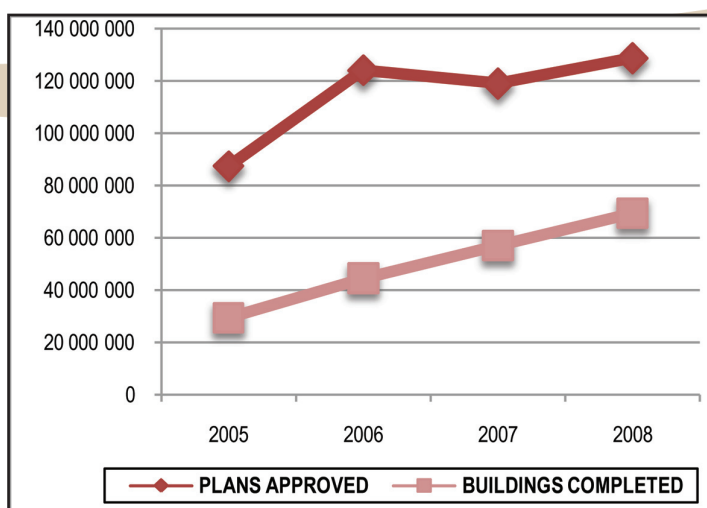
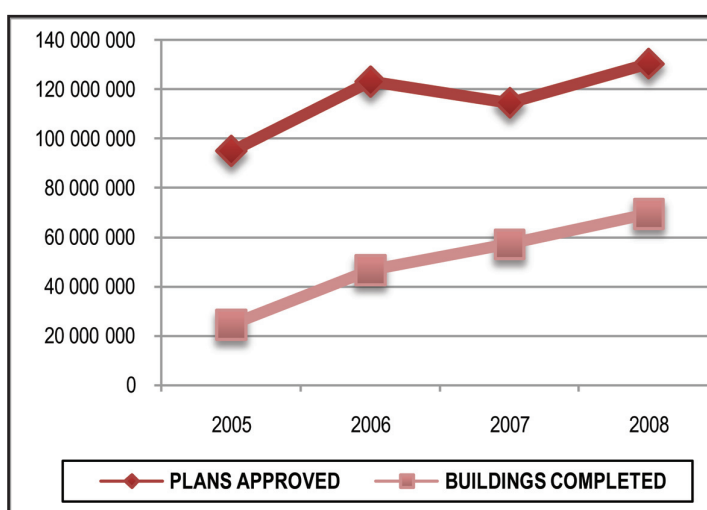


Table 2.1.1.5 Value of building plans approved and buildings completed (subsidy housing projects included)

Year	Building plans approved (R)	Buildings completed (R)
2005	94,934,900	24,403,800
2006	123,150,200	46,539,200
2007	114,583,700	57,071,500
2008	130,423,900	69,418,500
<b>TOTAL</b>	<b>463,092,700</b>	<b>197,433,000</b>

Source: Building Control Section, Merafong City



## SECTION: WATER AND SANITATION SERVICES / WATER CARE WORKS

The Water Service section has been mandated by the Constitution of South Africa (1996), the Water Services Act (1997) and the Water Services Amendment Act (30 of 2004) to supply potable water and functioning sanitation systems to the communities within its area of jurisdiction.

The financial year 2008/2009 was met with the continuation of transformation challenges towards the bettering of service delivery to the community of Merafong City as mandated by the Constitution. A total of 8.6 ML potable water purchased and 7,655ML potable water distributed to 69,291 consumer households.

Further to the maintenance program a total of 206 ad hoc maintenance projects were executed within the budget.

Table 2.1.1.6 Services delivery

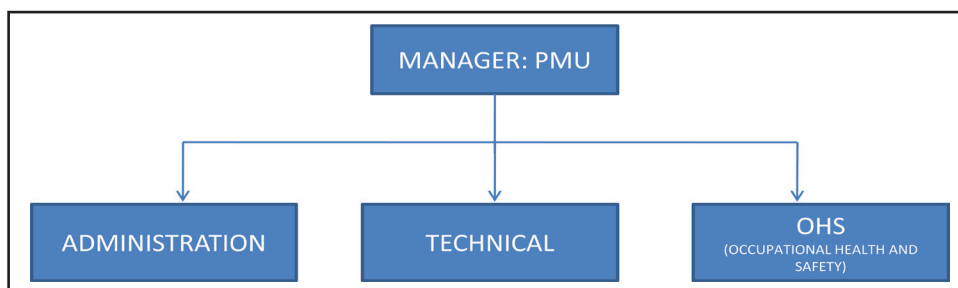
	2007/2008	2008/2009
▪ Water purchased	9,63MI	8,61MI
▪ Water distributed	7,8MI	7,655MI
▪ Provision of basic water to informal areas through communal standpipes	14,982 households	18,867 households
▪ Provision of emergency water to farms through water tankers	3,97MI	9,08MI

## SECTION: PROJECT MANAGEMENT UNIT

The Merafong Council and DPLG have approved the business plan for a project management unit on 15 June 2004 based on MIG programmes, guidelines and strategies to integrate engineering disciplines with social upliftment within a capacitated PMU structure and Merafong backlog reality according to the National MIG Policy Framework.

The PMU section was understaffed in the 08/09 financial year due to the resignation of 2 senior employees in the section which created a gap. The performance on the execution of projects however was not drastically effected as effective internal arrangements were made to address the internal capacity gaps. Performance goals as outlined in the Performance Management System has successfully been met.

PMU Structure as follows:



### PMU Performance Highlights

- 80% Project expenditure since the establishment of Merafong PMU including the 07/08 financial year as reflected in the Dora report. An amount of R 42,424,000 was allocated of which an amount of R 33, 947, 382 was actually spent.
- Bucket systems were eradicated through the completion of housing projects, but remains a challenge due to the continuous influx of informal dwellers
- 85 % completion of the Kokosi Waste Water treatment plant
- 98% completion of the Khutsong Waste Water treatment plant
- Accident free financial year by applying the Safety Construction Regulations in terms of the Occupational Health and Safety Act regulations on all projects
- Jobs created for the year under review:

Planned	583
Actual	552

- Due to the municipality reaching the performance percentage set by MIG in the 08/09 financial year an amount of R 43, 575 Million has been allocated to the municipality for the 09/10 financial year

### Challenges

- Capacity building of local upcoming and inexperienced contractors
- Full implementation of the EPWP to eradicate poverty and job creation
- Provision of basic services in rural and informal areas by implementing the directives from national
- Continuous influx of informal dwellers
- To address environmental, dolomite and pollution issues
- Retention and acquisition of Engineering skills

Table 2.1.1.7 Dora Certificate of Revenue and Expenditure: 30 June 2009

DATE	BUDGETARY ESTIMATE	ADVANCES REQUESTED	AMOUNT RECEIVED	ACTUAL EXPENDITURE	BALANCE
	Total	Total	Total	Total	Total
April-08	-		-	-	-
May-08	-		-	-	-
June-08	-	-	-	-	R1,203,367
July-08	R3,503,000	R3,300,000	R3,300,000	R1,870,102	R2,633,265
August-08	R3,503,000	R3,800,000	R3,800,000	R3,760,237	R2,673,028
September-08	R3,503,000	R3,800,000	R3,800,000	R4,060,204	R2,412,824
October-08	R3,503,000	R4,200,000	R4,200,000	R2,561,191	R4,051,633
November-08	R3,503,000	R4,200,000	R4,200,000	R2,657,199	R5,594,434
December-08	R3,503,000	R2,500,000	-	-	-
January-09	R3,503,000	R2,500,000	R5,000,000	R3,287,428	R7,307,006
February-09	R3,503,000	R2,500,000	R2,500,000	R6,613,951	R3,193,055
March-09	R3,507,396	R2,234,396	R4,731,000	R6,346,490	R1,577,565
April-09	R3,631,250	R3,631,250	R3,631,000	R743,624	R4,464,941
May-09	R3,631,250	R3,631,250	R3,631,000	R1, 426.362	R6,669,579
June-09	R3,631,250	R3,631,250	R3,631,000	R620,544	R9,680,035
<b>TOTAL</b>	<b>R42,425,146</b>	<b>R37,428,146</b>	<b>R42,424,000</b>	<b>R33,947,332</b>	<b>R 8,476,668</b>

Table 2.1.1.8 MIG Project Expenditure (Actual expenditure)

Project	Project	Approved	Remarks	2008/2009
Registration	Description	Amount		Total Expenditure
MIG/GT0237/SW/05/07	Fochville: Landfill Site <b>P688</b>	R 3,771,930.00	Multi Year	<b>R1,062,168.44</b>
MIG/GT0236/W/05/07	Wedela Waste Water Treatment Works <b>P689</b>	R 456,000.00	Multi Year	<b>R 0.00</b>
MIG/GT0286/RR/05/07	Wedela: Refuse Removal <b>P672</b>	R 570,000.00	Multi Year	<b>R 0.00</b>
MIG/GT0290/CF(ST,T)/05/07	Merafong: Hawker Stalls <b>P676</b>	R 1,522,650.00		<b>R 0.00</b>
MIG/GT0292/CF(CE)/05/07	Wedela Cemetery <b>P679</b>	R 413,590.00	Completed	<b>R291,400.55</b>
MIG/GT0360/FS/05/06	Feasibility Studies <b>P680</b>	R 500,000.00	Completed	<b>R 0.00</b>
MIG/GT0372/W/05/06	Borehole Develop: Merafong Informal <b>P690</b>	R 772,070.00	Multi Year	<b>R 0.00</b>
MIG/GT0230/S/05/07	Kokosi Waste Water Treatment Plant <b>P682</b>	R 34,000,000.00	Multi Year	<b>R 13,958,154.99</b>
MIG/GT0001/S/05/07	Khutsong Waste Water Treatment Plant <b>P692</b>	R 26,000,000.00	Multi Year	<b>R7,864,004.82</b>
MIG/NW/0485/W/06/07	Water Loss Management Phase 2 <b>P643</b>	R 582,558.00	Completed	<b>R 262,855.25</b>
MIG/NW/0479/CE(CF)/06/08	Khutsong South Cemetery <b>P645</b>	R 1,279,070.00	Completed	<b>R900,907.90</b>
MIG/NW/0476/MP(CF)/06/08	Wedela Multi Purpose Facility Phase2 <b>P646</b>	R 581,395.00		<b>R0.00</b>
MIG/GT0231/S/05/06	Kokosi x99 Eradication of Bucket Systems <b>P647</b>	R 5,000,000.00	Completed	<b>R 212,867.20</b>
MIG/NW/0486/R/06/08	Greenspark Access Roads <b>P648</b>	R 4,495,448.00	Completed	<b>R 2,435,068.11</b>
MIG/NW00771/SW/08/12	Rooipoort Landfill Site Upgrade 2	R 14,797,510.00	Construction	<b>R 830,326.88</b>
	Provision of Sanitation Informal Area <b>P635</b>	R 1,533,748.85	Construction	<b>R282,626.00</b>
	Bulk Services Khutsong 1, 2 & 3 <b>P566</b>	R105,000,000.00	Construction	<b>R31,912,624.42</b>
	Khutsong South Stadium Batswaneng <b>P600</b>	R2,223,333.43	Construction	<b>R2,344,400.82</b>
	Library Khutsong <b>P608</b>	R4,000,000.00	Multi Year	<b>R442,894.74</b>
	Library Blybank <b>P609</b>	R1,350,000.00	Multi Year	<b>R1,768.00</b>
	Library Greenspark <b>P610</b>	R3,000,000.00	Multi Year	<b>R0.00</b>
<b>Total Expenditure</b>		<b>R 209,745,258.28</b>		<b>R 351,729,878.78</b>



Table 2.1.1.9 Dora Three Year Capital Expenditure 2007 - 2009

Project no	Metro/ District Municipality/ Municipality	Project Description	Approved amount	Implementation period		Status	Total expenditure for 06/07	Total expenditure for 07/08	Total expenditure for 08/09	Total expenditure on project	Balance available on project
				Start	End						
MIG/GT0001/S/05/07	MCLM-NW405	Khutsong Waste Water Treatment Plant P692	R26,000,000	2006/03/31	2008/03/31	Construction	R7,491,093.74	R13,833,606.59	R9,664,294.78	R33,594,170.21	-R7,594,170.21
MIG/GT0230/S/05/07	MCLM-NW405	Kokosi Waste Water Treatment Plant P682	R34,000,000	2005/09/30	2008/03/31	Construction	R17,334,098.09	R11,481,491.22	R18,295,347.05	R50,583,856.73	-R16,583,856.73
MIG/GT0231/S/05/06	MCLM-NW405	Kokosi X5: Eradication of buckets (Phase 2) P647	R5,000,000	2005/07/01	2007/03/31	Completed	R3,219,610.25	R1,500,622.24	R242,668.61	R4,962,901.10	R37,098.90
MIG/GT0232/SW/05/06	MCLM-NW405	Rooipoot Landfill site – upgrade P678	R600,000			Construction	R543,882.02	R0.00	R0.00	R600,000	R0.00
MIG/GT0233/W/05/06	MCLM-NW405	Kokosi X99 Eradication of buckets (Phase 2)	R2,709,000			Completed	R1,542,570.63	R0.00	R0.00	R2,709,000	R0.00
MIG/GT0235/S/05/06	MCLM-NW405	Informal Sanitation Farm Areas (Phase 2)	R4,385,965	2005/10/30	2008/01/02	Completed	R1,682,264.43	R0.00	R0.00	R4,322,282.92	R63,682.08
MIG/GT0236/W/05/07	MCLM-NW405	Wedela Waste Water Treatment Works	R400,000			Design and tender	R7,589.49	R130,944.70	R0.00	R265,025.67	R134,974.33
MIG/GT0237/SW/05/07	MCLM-NW405	Fochville Landfill Site (Phase 2) P688	R3,771,930			Construction	R527,631.27	R267,806.58	R266,091.39	R1,061,529.24	R2,710,400.76
MIG/GT0240/W/05/06	MCLM-NW405	Water Loss Management (Phase 1) P681	R614,035	2006/11/01	2007/03/31	Construction	R423,032.55	R214,168.80	R0.00	R638,870.95	-R24,835.95
MIG/GT0279/R/ST/05/06	MCLM-NW405	Kokosi Taxi Route (Phase 3) P641	R1,500,000			Completed	R1,070,169.24	R0.00	R0.00	R1,499,998.41	R1.59
MIG/GT0280/CF/TR/06/07	MCLM-NW405	Kokosi Taxi Facilities P671	R500,000	2005/12/02	2007/07/10	Construction	R266,528.37	R36,529.27	R0.00	R408,111.08	R91,888.92
MIG/GT0286/R/05/07	MCLM-NW405	Wedela Refuse Removal P672	R570,000			Construction	R65,648.28	R182,289.67	R0.00	R247,937.95	R322,062.05
MIG/GT0287/R/ST/05/06	MCLM-NW405	Wedela Roads and Storm water (Phase 2) P667	R1,500,000	2006/03/03	2008/03/03	Completed	R1,286,681.87	R56,992.78	R0.00	R1,471,543.01	R28,356.99
MIG/GT0288/SL/05/06	MCLM-NW405	Khutsong/Kokosi Streetlights (Phase 2) P691	R570,000	2006/04/21	2007/04/01	Completed	R557,543.02	R0.00	R0.00	R557,543.02	R12,456.98
MIG/GT0289/CF/S/05/06	MCLM-NW405	Sidewalks: Khutsong/Kokosi/Wedela P670	R1,000,000	2005/08/22	2007/08/27	Construction	R929,828.93	R58,724.05	R0.00	R989,812.98	R10,187.02
MIG/GT0290/CF/ST/1/05/07	MCLM-NW405	Meratong Hawker Stalls P676	R1,522,650	2005/07/01	2007/07/31	Completed	R421,998.77	R0.00	R75,038.56	R1,525,922.26	-R3,272.26
MIG/GT0292/CF/CE/05/07	MCLM-NW405	Wedela Cemetery P679	R413,590	2005/07/01	2007/03/31	Construction	R16,469.75	R0.00	R72,025.18	R88,494.93	R325,095.07
IG/GT0293/CF/bs/06/07	MCLM-NW405	Meratong: Taxi Bus Shelters P673	R406,348	2005/09/30	2006/08/31	Completed	R328,407.06	R0.00	R0.00	R380,488.41	R25,859.59
MIG/GT0296/CF/MP/05/06	MCLM-NW405	Wedela Multi Purpose Facility P674	R650,000	2005/08/10	2008/01/18	Completed	R581,806.23	R0.00	R27,677.16	R664,243.58	-R14,243.58
MIG/GT0360/FS/05/06	MCLM-NW405	Feasibility studies P680	R500,000			Design & Tender	R109,625	R22,500	R0.00	R239,000	R261,000
MIG/GT0372/W/05/06	MCLM-NW405	Borehole Development (Phase 2) P690	R772,070			Design & Tender	R197,866	R0.00	R0.00	R752,284	
MIG/NW0476/MP/CF/06/08	MCLM-NW405	Wedela: Multi Purpose Facility (Phase 2) P646	R581,395	2005/08/10	2008/01/18	Completed	R194,251.99	R273,165.60	R18,495.61	R485,913.20	R95,481.80
MIG/NW0477/R/06/06	MCLM-NW405	Upgrading of Roads – Meratong (Phase 2) P644	R801,660			Completed	R0.00	R760,965.36	R0.00	R760,965.36	R40,694.64
MIG/NW0485/W/06/07	MCLM-NW405	Water Loss Management (Phase 2) P643	R582,558			Construction	R0.00	R313,795.68	R262,978.83	R576,778.51	R5,779.49
MIG/NW0486/R/06/08	MCLM-NW405	Greenspark: Access Roads P648	R4,495,448			Completed	R0.00	R1,050,790.61	R2,960,742.17	R4,011,532.78	R483,915.22
MIG/NW0479/CE/CF/06/08	MCLM-NW405	Khutsong South Cemetery (Extension) P645	R1,279,070			Construction	R0.00	R0.00	R81,1452	R81,1452	R467,618
MIG/NW000771/SW/08/12	MCLM-NW405	Rooipoot Landfill Site Upgrade 2 (Transfer station)	R14,797,510			Construction	R0.00	R0.00	R337,106.92	R337,106.92	R13,860,403.08
			R138,219,336				R40,439,764.55	30,184,397.15	33,633,918.26	142,710,474.62	(R4,491,138.62)
PMU Meratong	MCLM-NW405	Management fees	R6,492,572				R1,232,321.38	R1,237,324.97	R1,401,023.79	R5,892,625.94	R590,946.06
Total Committed Projects			R144,711,908				R41,672,085.93	R31,421,722.12	R35,034,942.05	R148,603,100.56	-R3,891,192.56

Table 2.1.1.1.10 Dora Three Year Capital Expenditure 2009 - 2012

PROJECT DESCRIPTION	Approved Amount	Project Status	Amount Spent on project	Committed 2009/2010	Committed 2010/2011	Committed 2011/2012	TOTALS
Kokosi/Fochville: Landfill Site <b>P688</b>	R3,771,930	Construction	R1,061,529	R2,133,503			
Wedela Waste Water Treatment Works <b>P689</b>	R456,000	Design	R265,026				
Wedela: Refuse Removal <b>P672</b>	R570,000	Design	R247,938	R322,000			
Wedela Cemetery <b>P679</b>	R413,590	Completed	R88,495	R68,000			
Feasibility Studies <b>P680</b>	R500,000	Execution	R239,000				
Borehole Develop: Merafong Informal <b>P690</b>	R772,070	Design	R19,786	R752,284			
Kokosi Waste Water Treatment Plant <b>P682</b>	R34,000,000	Construction	R34,000,000				
Khutsong Waste Water Treatment Plant <b>P692</b>	R26,000,000	Construction	R26,000,000				
Rooipoot Landfill site (upgrade 2)	R14,797,510	Design/Tender	R937,107				
Merafong: Construction of new taxi rank (Kokosi)	5,251,504	Design		R7,310,403	R7,310,403	R500,000	R13,860,403
Merafong: Upgrade parking facilities at schools	975,000	Design		R2,700,000	R1,050,301	R300,000	R5,300,000
Merafong: Construction of existing pavements (walkways)	11,456,250	Design		R50,000	R1,000,000		R1,000,000
Merafong: Kokosi X6 Construction of roads	5,557,500	Design		R6,056,250	R4,925,000	R475,000	R11,456,250
				R3,665,000	R1,111,500	R235,000	R5,700,000
<b>AMOUNTS APPLIED FOR:</b>							
Merafong: Sanitation Informal Areas	R12,797,121	B/Plan registration		R4,300,000	R5,500,000	R2,547,832	R12,347,832
Kokosi Waste Water Treatment Plant (Extended)	R18,656,282	B/Plan registration	R16,583,857	R2,350,000			R2,350,000
Khutsong Waste Water Treatment Plant (Ext)	R4,045,101	B/Plan registration	R7,594,170	R856,678			R856,678
Kokosi X5 Ring road (Construction)	R3,500,000	B/Plan registration		R2,300,000	R1,050,000	R150,000	R3,500,000
Khutsong South – Construction of storm water system (phase 3)	R7,669,087	B/Plan registration			R850,000	R3,650,000	R4,500,000
Merafong streetlights	R2,458,950	B/Plan registration		R2,358,855	R100,000		R2,458,855
Merafong: Construction of new taxi rank (Wedela)	R5,251,504	B/Plan registration				R5,500,000	R5,500,000
Merafong: Upgrading and extension of taxi ranks	R4,582,500	B/Plan registration			R761,834	R3,733,166	R4,515,000
Merafong: Municipal Disaster Management Centre	R4,874,999	B/Plan registration		R2,100,000	R2,774,999		R4,874,999
Merafong: Construction of new taxi rank (Blybank)	R5,251,504	B/Plan registration		R2,319,964	R2,856,194	R210,000	R5,386,158
Merafong: Loading zones at taxi areas	R2,000,000	B/Plan registration		R1,900,000	R100,000		R2,000,000
Merafong: Streetlights conversion	R1,813,000	B/Plan registration		R1,813,000			R1,813,000
Blybank Reservoir	R6,500,000	B/Plan registration		R855,000	R5,385,000	R260,000	R6,500,000
Upgrading supply to reservoir – Khutsong Ext 1,2 & 3	R6,000,000	B/Plan registration		R1,000,000	R4,770,000	R230,000	R6,000,000
Industrial Hive (C/ville) Ext 6	R3,000,000	B/Plan registration		R1,130,000	R1,870,000		R3,000,000
Fochville closure of Solid Waste Landfill Site	R31,400,000	B/Plan registration			R3,000,000	R140,000	R3,140,000
Water Pipeline Fochville	R800,000	B/Plan registration				R800,000	R800,000
Water loss Management Study Phase 3	R600,000	B/Plan registration				R600,000	R600,000
Outfall Sewer Fochville Ext 6	R7,500,000	B/Plan registration				R7,500,000	R7,500,000
Upgrading of Existing Storm Water System	R5,000,000	B/Plan registration				R5,000,000	R5,000,000
Kokosi Community Hall	R1,200,000	B/Plan registration				R1,200,000	R1,200,000
Facilities for the Disabled	R1,500,000	B/Plan registration				R1,500,000	R1,500,000
Khutsong Ext 1,2 & 3 roads	R35,000,000	B/Plan registration				R24,140,522	R24,140,522
PMU Operational Budget 2009/2010	R1,743,000	B/Plan registration		R1,743,000	R2,033,320	R2,445,480	R6,221,800
<b>TOTAL COMMITTED</b>	<b>R277,664,402</b>		<b>R87,036,908</b>	<b>R43,575,000</b>	<b>R50,833,000</b>	<b>R61,137,000</b>	<b>R268,500,548</b>

Table 2.1.1.1.11 Performance on Service Delivery Backlogs

Project Description	08/09			09/10			10/11		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
<b>Water Backlogs (GKL per month)</b>									
Backlogs to be eliminated (No households not receiving Minimum Standard of Services) ( <i>Housing backlogs not included</i> )	19,134	4,000	3,000	15,134	4,000	N/A	11,134	4,000	N/A
Spending on New Infrastructure to eliminate backlogs (R'000)	86,534,440	37,346,575	272,000	82,799,765	26,313,875	N/A	79,065,090	64,590,675	N/A
Spending on Operational Budget (R'000)	2,054,000	2,054,000	1,704,520	2,320,000	2,550,240	N/A	2,505,600	1,871,010	N/A
Total spending to eliminate backlogs (R'000)	88,588,440	39,400,575	1,976,520	85,119,765	28,864,115	N/A	81,570,690	66,461,685	N/A
<b>Sanitation Backlogs</b>									
Backlogs to be eliminated (No households not receiving Minimum Standard of Services) ( <i>Housing backlogs not included</i> )	18,867	3,800	3,000	15,067	3,800	N/A	11,267	3,800	N/A
Spending on New Infrastructure to eliminate backlogs (R'000)	124,218,011	164,700	1,500,000	124,053,311	5,767,000	N/A	118,286,311	5,200,000	N/A
Spending on Operational Budget (R'000)	1,690,000	1,690,000	1,752,000	2,010,000	1,791,400	N/A	2,754,259	2,119,920	N/A
Total spending to eliminate backlogs (R'000)	125,908,011	1,854,700	3,252,000	126,063,311	7,558,400	N/A	121,040,570	7,319,920	N/A
<b>Electricity Backlogs (50KWH per month)</b>									
Backlogs to be eliminated (No households not receiving Minimum Standard of Services) ( <i>Housing backlogs not included</i> )	362	3,887,520	85	402	4,120,771	N/A	5,500	1,000	N/A
Spending on New Infrastructure to eliminate backlogs (R'000)	55,060,000	19,900,000	18,600,000	58,770,000	43,908,000	N/A	33,150,000	4,700,000	N/A
Spending on Operational Budget (R'000)	8,000,000	2,438,614	2,358,981	8,000,000	2,992,146	N/A	10,000,000	TBC	N/A
Total spending to eliminate backlogs (R'000)	63,060,000	22,338,614	20,958,981	55,340,000	46,900,146	N/A	43,150,000	TBC	N/A
<b>Roads Backlogs</b>									
Backlogs to be eliminated (No households not receiving Minimum Standard of Services)	248,300.00	4,495,448	4,016,532.78	4,495,443.84	3,416,537.32	N/A	386,108,619	160,798,352	N/A
Spending on New Infrastructure to eliminate backlogs (R'000)	257,943,117	107,466,700	4,016,532.78	150,476,417	113,914,702	N/A	401,103,749	167,111,635	N/A
Spending on Operational Budget (R'000)	250,000,000	987,390	1,060,965	265,000,000	1,046,633	N/A	2,293,967	2,548,853	N/A
Total spending to eliminate backlogs (R'000)	507,943,117	108,454,090	504,062.78	415,476,417	114,961,335	N/A	403,397,716	169,660,488	N/A
<b>Refuse Removal Backlogs</b>									
Backlogs to be eliminated (No households not receiving Minimum Standard of Services)	1,384	2,221,643	1,002,458.80	3,708	2,900,694.20	N/A	4,979	4,206,856.80	N/A



## 2.1.2 COMMUNITY SERVICES

The department Community Services comprises of the following sections:

- Sport, Recreation, Arts, Culture, Heritage, Library Information Services, Parks and Cemeteries
- Public Safety and Security
- Waste Management

### SECTION: SRACH & LIS

The main focus of this section is to provide access to facilities when the need arises from the community. This section also formed a partnership with the mining houses and achieved the following projects:

#### Harmony Mine

- Upgrading of Elandsrand library and received three computers as a donation;
- Books to the value of R25 000-00 for Fochville, Wedela and Carletonville libraries;
- 17 Computers donated for Kokosi, Wedela, MPCC Khutsong, Welverdiend and Carletonville libraries;

#### East Driefontein Mine

- Upgrading of East Driefontein Library;

In Parks and Cemeteries Section the following projects were completed, viz:

- New ablution facilities;
- New hothouse;
- Phase 2 Khutsong cemetery fencing and road;

A total of 8 pauper burials, 26 babies, 7 children and 56 adult indigent burials were concluded through the implementation of the Indigent burial policy of Council.

The maintenance of older community facilities is still a major challenge faced by the section due to financial constraints.

### SECTION: PUBLIC SAFETY AND SECURITY

The section maintains a high level of competence and managed to train 23 officials as peace officers, 42 fire fighters trained on high angle 1 rescue, 16 fire fighters trained in fire fighting, 1 & 2, Hazmat and 20 officials in traffic underwent basic firearm training. The Section: Fire and Rescue won the National Toughest Fire Fighter competition and the National Breathing Apparatus Relay.

Even though the Section: Licensing had numerous complaints from the community when the new booking system was implemented, there is a huge improvement, no more long queues and the booking is done on daily basis. A total of 39049 vehicles were registered.

A serious challenge is experienced in the Section: Security which poses a huge risk to Council. However, this challenge can be addressed by the appointment of a Manager: Minimum Information Security Standards. Numerous cases of theft including copper cable, equipment and robbery were reported.

Social crime prevention (CMP) - eight illegal shebeens were closed. Sixteen people were arrested and liquor confiscated. Re-a-kolomaka operation was conducted during which 20 illegals were arrested. School visits were also conducted and drugs were confiscated. Christmas rally was held in Merafong City, during which 5 destitute families were given hampers.

The other challenge faced by the Section: Traffic is the increased number of accidents that happens at night due to drunken driving when the traffic officers are off duty. The possibility of implementing a three shift system is investigated to reduce the number of accidents by night.

## SECTION: WASTE MANAGEMENT

Door-to-door household refuse removal service has been increased from 95,3% to 102%. Authorization has been granted by the Department of Agriculture, Conservation and Environment (Northwest DACE) for the construction of a waste transfer station at Fochville. The positive Record of Decision (ROD) was released to that effect. Construction of the transfer station is underway and envisaged to be completed by end of September 2009.

An application for closure and rehabilitation of Fochville landfill site has been approved by the National Department of Water and Environmental Affairs. The project process for implementation of rehabilitation is unfolding.

The process of removal of illegal dumping throughout the Municipality commenced during April 2009 and was completed by end of June 2009 with the cost of R543 950,00. Lack of participation by communities causes the reoccurrence of the illegal dumping. The department embarked on community outreach programme awareness campaign to impart knowledge on waste management.

The street cleansing section of the department displayed high level of commitment and innovation by commencing with street cleansing services between 05h00 and 06h00 in the morning. This is a safe operation because it is off peak hours for traffic and is creating an impressive environmental outlook in the early hours of the day.

SAMWU's strike which started on the 29th of April 2009 and ended on the 8th of May 2009 had a serious impact on service delivery. Only 10% of the total personnel reported for duty and the service delivery of the department was honoured to be hindered. Service providers were appointed to resume with the refuse removal and street cleansing. Cost to the municipality on the contingency plan was R110,352-00. The damage to property (1 x street cleansing trolley and 9 x concrete litter bins) is at cost of R7,800-00.

Temporary storage at the old Andrew Tennant swimming pool in Fochville has been in use, while the process of permitting and construction of Fochville transfer station is in process. The level of positive co-operation by the neighbours of this facility is appreciated. This site will be closed immediately when construction of Fochville transfer station is completed in September 2009.

A serious challenge facing this section is under staffing, lack of professionals in the section as the Manager: Waste Management is the only professional person in the section and will not be able to perform in relation to administrative and operational requirements. This can have a negative impact on service delivery if not given urgent attention.

### 2.1.3 ECONOMIC DEVELOPMENT & PLANNING

The department comprises of the following sections:

- Spatial Planning & Environmental Management
- Local Economic Development & Tourism
- Housing Administration
- Integrated Development Planning & Performance Management System

## SECTION: SPATIAL PLANNING & ENVIRONMENTAL MANAGEMENT

The main responsibilities of the section are to ensure the creation of sustainable human settlements through the integration of social, economic, institutional and physical aspects of land development.

During the year of review a total of 287 complete land-use applications have been received and processed. This constitutes an increase of 56,8% year on year despite the declining trend in the economy. A total of 6 new township establishment applications have been approved by Council in line with the Integrated Planning Principles, creating a total of 7042 new stands.

The table below indicates the respective land uses for the new stands created to give effect to the integration of social, economic, institutional and physical aspects of land development.

Table 2.1.3.1 Respective land uses – new stands created

Town	Land Use	Number of Erven	Extent (ha)
Carletonville X17	Res 1	2202	87,66
	Res 2	4	16,75
	Public Garage	1	0,6
	Taxi rank	1	1,19
	Community Facility	1	1,35
	Public Open Space	3	5,54
	Commercial	27	10,81
	Educational	1	1,40
	Undetermined	1	1,78
	Street		44,13
	<b>Total</b>	<b>2241</b>	<b>171,21</b>
Carletonville X18	Business 1	1	15,0
	Business 2	1	2,0
	Res 3	1	1,9
	<b>Total</b>	<b>3</b>	<b>18,90</b>
Fochville X3	Res 1	122	11,2777
	Res 2	4	1,4657
	Special for Access	1	1,9943
	Special for Clubhouse	1	0,1209
	Public Open Space	5	0,7547
	Proposed Public Road		0,2002
	<b>Total</b>	<b>133</b>	<b>15,8135</b>
Greenspark X1	Res 1	345	10,23
	Special for crèche	1	0,12
	Special for church	1	0,27
	Public Open Space	2	3,70
	<b>Total</b>	<b>349</b>	<b>14,32</b>
Kokosi X6	Res 1	2178	74,68
	Res 2	3	14,1
	Business 2	2	0,98
	Institutional	5	3,32
	Municipal	3	1,7
	Public Open Space	7	1,8
	<b>Total</b>	<b>2198</b>	<b>120</b>
Khutsong South X4	Res 1	2137	72,24
	Business 1	5	1,1
	Taxi Rank	2	0,18
	Community Facility	6	0,65
	Primary School	3	1,27
	Creche	2	0,20
	Church	3	0,10
	S.A.R	15	2,71
	Pedestrian Wall ay	2	0,18
	Park	1	10,61
	Urban Agriculture	2	51,44
	Sports fields		0,69
	<b>Total</b>	<b>2180</b>	<b>141,37</b>

This section was also successful in improving effective and efficient service delivery through the streamlining of administrative processes to reduce turn-around times on applications. The total turn-around time on all applications, indicated as an average, reduced by 11% during the year, which is a significant improvement in service delivery.

The municipality successfully reviewed its spatial development framework in line with the following criteria: integrated communities, local economic development, the physical, social and economic environment and sustainable development. All applications are evaluated in accordance with the Spatial Development Framework as the guide to sustainable development.

A capital investment framework linked with the spatial development framework ensures that infrastructure investment is prioritized in identified growth areas and prioritized areas to eradicate backlogs.

The Section also successfully implemented phase 4 of the Geographic Information System for Merafong City that gives the section the capability to edit and maintain the GIS internally. The necessary capacity has been created to enable the GIS technician to undertake these activities improving the effectiveness and efficiency of the system.

A Senior Environmental Management Officer was appointed in the newly created Environmental Management Section. Unfortunately the position became vacant in February 2009. During the year the section successfully developed audit protocols on projects in accordance with the RoDs. This section could not fulfill its full responsibilities due to the resignation of the only official in the section.

## **SECTION: LOCAL ECONOMIC DEVELOPMENT & TOURISM**

The LED section plays a pivotal role in creating an enabling environment for business development. The building blocks of the LED strategy includes:

- The understanding of the local economy, its' sectors and resources
- Strategic decisions to promote job creation and the reduction of poverty levels
- Identify competitive advantages
- Implement concepts of value add, multipliers, linkages, complementary of labour, goods and services, through direct, indirect and induced effects on strategic projects.
- Create job opportunities through infrastructure development, e.g. local contracting, sub contracting and preferential procurement

The section successfully reviewed the trends in the local economy informing the reviewed Growth and Development Strategy to focus on the following priority areas:

- The revised Growth and Development Strategy is a strategic and practical approach towards local economic development in Merafong.
- Developed a strategic policy to promote job creation through infrastructure development on priority projects. This policy forms the basis for requirements included in tenders such as a provision for local content and employment
- The concepts of value add has been thoroughly researched through an economic impact study on the impact on the Khutsong Resettlement project on the local economy. This study was adopted by Council as part of its Growth and Development Strategy.
- A detailed business audit to identify priorities as indicated by the business community.

A dedicated tourism officer was appointed at the end of the previous financial year. This function was thoroughly established during the year of review and a tourism plan was developed and successfully implemented. Good progress has been made to research heritage sites with the potential of tourism attractions. The Heritage Council has issued a draft report that must be further researched in detail. Prioritized heritage sites with tourism potential will ultimately be developed as tourism attractions. The challenge in this regard will be to secure funding for the development of these sites.

The section also developed a tourism brochure highlighting places of interest in the hospitality industry. This document was also launched at the Tourism Indaba in Kwa-Zulu Natal as part of the District Municipality exhibition.

The development of SMMEs remains a priority in the department. Twenty-five (25) SMME capacity building sessions were successfully conducted. The utilization of facilities for SMMEs was reported as a challenge in the previous financial year. The Kokosi Beehive has been fully utilized by 18 SMMEs. Maintenance support was provided to maintain the premises and support was given through branding and marketing of the businesses.

Social and Labour Plan projects has been implemented by the mining houses.

## **SECTION: HOUSING ADMINISTRATION**

The Housing Administration section is responsible for the administration of housing projects that includes beneficiary administration and project conveyancing. The section also administers the rental social housing portfolio of Council.

The municipality was the developer of 12 low cost housing projects at different stages of implementation during the year of review. Three of the projects are at close-off stage and only a few outstanding housing units were not completed due to rejected or untraceable beneficiaries. These cases are being dealt with at an ad-hoc problem solving basis.

The total expenditure on the said housing projects for the year amounts to R111,671,804. The expenditure on the special grant of R105 million for bulk infrastructure amounts to R31,912,625 included in the total housing expenditure. An amount of R222,091,918 was received for housing projects during the year of review.

A total of 1586 beneficiaries were approved during the year of review. The total outstanding beneficiary approvals on current projects is 4094 (total subsidies – total approves).

Good progress has been made during the year to register properties in the names of beneficiaries. A total of 1992 deeds have been submitted for registration. A total of 847 title deeds have been received back from the deeds office for hand over to beneficiaries.

A title deed hand-over ceremony of the different projects was initiated by the Executive Mayor during April 2009 and beneficiaries have been collecting their title deeds from the administration at a steady rate.

With regard to the social housing rental stock, a detailed audit was done on the waiting list. An electronic waiting list and approval system have been developed by the IT section to ensure improved control environment.

## **SECTION: IDP / PMS**

The 3rd review of the IDP 2006-2011 was successfully completed on time in accordance with the process plan to inform the 09/10 budget. The main achievements in this process was the internal analysis and services backlogs in accordance with the consolidated infrastructure plans (CIP) and the alignment of the data with the latest community survey (Stats, S.A data). This resulted in a shift in planning goals in accordance with realistic data.

The IDP was also successfully package in accordance with the new DLG guidelines and key performance areas. The implementation of the IDP and prioritization of service delivery areas for improved service delivery, was reviewed a strategic session and the strategic plans is included in the IDP as the strategic planning tool for the municipality.



The PMS framework was also reviewed and good progress has been made to implement the electronic performance management system. Many challenges were experienced during the implementation of the system to fully align the organizational and departmental performance plans to define indicators and targets that could be aligned to reliable data sources.

It was soon realized that for the year under review, a parallel system between the manual paper driven system and the electronic PMS had to be run. This was necessary to establish a good baseline for the full implementation of the ePMS for the 09/10.

The performance and development priorities as approved in the IDP, budget and adjustment budget is detailed in table 2.2.

## **2.1.4 DEPARTMENT OF CHIEF OPERATIONS OFFICER**

The department of the Chief Operation Officer is constituted by the following sections

- Programme Management Office
- Legal and Secretariat
- Human Capital (incl Industrial Relations & Employment Equity)
- Corporate Communications
- Political Support

### **Information and Knowledge Management**

The PMO office has been instrumental in coordinating and quality checks on the submission of parliamentary questions, provincial and district reports, SALGA returns, DPLG returns, Municipal Demarcation Boards, responses from the municipality to the community, etc. The PMO office served as a one stop shop for information enquiries.

### **Performance Management / Project Tracking**

In the year under review the PMO office has been able to track performance of 96 capital and operational projects in addition to 13 Mayoral Special Projects, in the municipality against their expenditure. In total there are 109 projects in the municipality for the year under review. A detailed description of the projects is given in Chapter 5. The general assessment and analysis on projects is that although in some instances procurement processes seemed to delay the projects, the municipality implemented most of the planned projects for the financial year contract under review. It has been a tedious exercise for project owners to start updating the status of their projects when the system of tracking was developed, but it is now accepted and working very well. The next process that the PMO envisages embarking on is the physical verification of progress on project versus the reported.

### **Vendor and Contract Management**

The PMO office is playing a co-ordinating role between the project owners and legal section in ensuring that all appointed service providers to the municipality sign contracts and project charters are developed although due to capacity problems it's still a challenge for PMO to assist sections in the drawing up of charters, it is work in progress. There is a contract register developed and updated in case of a new appointed company. This register, in the future, will also allow project owners to assess and evaluate the work done by contract holders to ensure that contractors carry their work as efficient as possible.

### **Management and Strategic Support**

In its' strive to offer program and project management support, PMO has co-ordinated the strategic planning for the municipality in the financial year under review. This includes sourcing professional facilitators, booking of venue and assisting in development of a final Municipal Strategic Plan document. The PMO office co-ordinates internal MANCO meetings from the dates and schedules to developing agendas.

## **2.1.5 FINANCE**

The department comprises of the following sections:

- Budget & Treasury
- Expenditure
- Income
- Credit Control & Client Services
- Supply Chain
- Information Communication and Technology Section

The performance highlights of this department include the following:

### **Effective Meter Reading**

The relationship between the municipality and the contractor has been excellent over the years and this has translated into a significant reduction in complaints on meters read and overall improvement in the billing process.

A more user friendly statement of account has been introduced.

### **Implementation of the Property Rates Act**

The Rating Act was implemented on 1 July 2008 and the public participation process as required in the Act was adhered to. The highlight of the implementation was when Council received affirmation from sectors such as the Agricultural Forum to implement and charge property tax as required by the Act. Rebates and exemptions were given to qualifying ratepayers.

Council experienced resistance from the community during the implementation process. Various community meetings were held to address the fears of the community. The implementation was painful for certain members of the community.

This was successful as depicted in the payment level of Assessment rates of 96.84% for the 2008/2009 financial year.

### **Credit Control**

Various actions were put in place to ensure that council collect the revenue owed to council.

The unstable situation in Khutsong since Merafong was transferred to North-West had deteriorated. This had spilled over to other areas. The demarcation issue had resulted in that the pay points in Khutsong were burnt down and payment levels had dropped to an all time low in this area. Subsequent to this, the pay point in Kokosi was also burnt down.

Council had appointed debt collecting Service providers to collect all outstanding Debt.

Integration of BIQ and Conlog was established to enable debt collection through the sale of pre-paid electricity as approved in Council's Credit Control Policy.

Council appointed third party vendors to ensure 24 hour vending of pre-paid electricity.

These actions were successful and council's payment levels have increased from an 85.68% in 2007/2008 to 87.66% in 2008/2009.

### **Indigent Management**

A verification committee was appointed and through the assistance of the ward committee indigents were identified.

Services to Indigents were restricted to remain within the limits of the subsidy.

### **Asset Management**

Council appointed a service provider to verify value and compile an infrastructure asset register as required by GRAP 17. This is a multi-year project that will be completed in the 2009/2010 financial year.

Council had purified Council's movable Asset Register and implements all Accounting Standards related to GRAP 17 (Moveable Assets).

### **Conversion and implementation of applicable GRAP standards**

All effective GRAP standards except GRAP 17 was fully implemented.

### **Implementation of an ICT strategy**

Implementation of the following activities, IT Policy, Microsoft Business Application compliance, software security and physical security in the server room, was rolled out during the financial year. Network infrastructure was upgraded.

The following table indicates the project performance on all projects identified in the IDP.

## 2.2 PERFORMANCE ON DEVELOPMENTAL PRIORITIES IDENTIFIED IN THE IDP

**PERIOD: JULY 2008 – JUNE 2009**

KPA1: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY							
HOUSING AND ADMINISTRATION							
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Khutsong South Ext 1, 2 & 3 Phase 1 (1500 units) <b>Project Nr : B07010011</b> <b>Vote Nr: P10575</b>	1500 stands to be serviced by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>1500 stands serviced</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>Water and Sewer services installation 100% completed</li> </ul>	None	Not applicable	R40,314,936.00	R24,243,977.95
Khutsong South Ext 1, 2 & 3 Phase 2 (4000 units) <b>Project Nr: B07010012</b> <b>Vote Nr: P10575</b>	2000 stands to be serviced by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>2000 stands serviced</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>Services installation: Water: 100% completed Sewer: 100% completed (in respect of planned performance)</li> </ul>	None	Not applicable	R41 756 000.00	R19,311,090.00
Khutsong South Ext 1, 2 & 3 (Ad hoc) Bulk Services	Installation of bulk services		Water services 100% completed in respect of 1500 stands Sewer services 50 % completed in respect of 4000 stands (multiyear project)	None	Not applicable	R48,383,369.00	R27,552,117.35

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Kokosi Ext. 2 Housing (200 units) <b>Project Nr: B04020001</b> <b>Vote Nr: P10570</b>	100 Top structures to be completed by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation phase</li> <li>Provision of 100 housing units</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>26 Top Structures completed for 08/09 financial year</li> </ul>	<ul style="list-style-type: none"> <li>26% variance under planned performance.</li> <li>Contractor cannot fulfill contractual obligation</li> </ul>	Revised cost structure approved. Appointed Contractor appointed to complete 20 approved units. Targeted beneficiary administration on 54 outstanding.	R1,290,000	R220,038.80
Kokosi Ext. 5 Housing Phase 1 (785 units) <b>Project Nr: B05070006</b> <b>Vote Nr: P10573</b>	500 Top structures to be completed by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation phase</li> <li>Provision of 500 housing units</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>615 foundations completed</li> <li>607 wall plates</li> <li>539 roof heights</li> <li>519 completed top structures – occupied with happy letters</li> </ul>	None	Not applicable	R25,416,220.00	R16,307,932.47
Kokosi Ext. 5 Phase 2 (175 units) <b>Project Nr: B05070005</b> <b>Vote Nr: P10574</b>	175 Top Structures to be completed by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>Provision of 175 housing units</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>Revised layout plan received end November 2008.</li> <li>75 foundations completed</li> <li>55 top structures completed</li> </ul>	Unforeseen delays experienced with revised lay-out plan	Revised program to complete project within planned time frame	R5,019,339.71	R231,014.71

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Kokosi Ext 6 (2138 units) <b>Project Nr: B07100014</b> <b>Vote Nr: P10579</b>	2138 stands to be serviced by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>2138 stands serviced</li> </ul>	<ul style="list-style-type: none"> <li>The following planning phases have been completed: <ul style="list-style-type: none"> <li>EIA, Geotech, Preliminary layout plan</li> </ul> </li> <li>Services installation: <ul style="list-style-type: none"> <li>Water: 70% completed</li> <li>Sewer: 65% completed</li> </ul> </li> </ul>	Delay in the approval of the SG plan experienced. May result in negative cash flow due to unsettled claims from NWDLG &H	Program approved: Monitored by Consultant	R9,000,000.00	R11,521,822.89
Wedela Ext. Phase 2 (362 units) <b>Project Nr: B07010013</b> <b>Vote Nr: P10572</b>	179 Top structures to be completed by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>Provision of 179 housing units</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>74 top structures completed</li> </ul>		Consultant instructed to speed up delivery of contractors	R3,000,000.00	R3,873,790.07
Wedela 89 DDIS (89 units) <b>Project Nr: B05090002</b> <b>Vote Nr: P10576</b>	8 Top structures to be completed by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation phase</li> <li>Provision of 8 housing units</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>Contractor on site</li> </ul>	Serious delays experienced with beneficiary administration, applicants failing deed searches.	Overriding of the beneficiary administration system of Province	R319,290.00	R18,636.82
Greenspark Ext 1 (340 units) <b>Project Nr: B05070004</b> <b>Vote Nr: P10578</b>	180 stands to be serviced by 30 June 2009	<ul style="list-style-type: none"> <li>Implementation phase</li> <li>180 stands serviced</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>The following planning phase have been completed: <ul style="list-style-type: none"> <li>EIA, Geotech, Preliminary layout plan</li> </ul> </li> <li>Contractor appointed – not yet on site</li> </ul>	Planned performance to be adjusted to servicing of stands	Will depend on construction program of contractor after appointment	R4,412,860.00	R667,317.26



Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Kokosi Ext. 1 & 3 (53 Units) Project Nr: B96040010 Vote Nr: P10551	10 Top structures to be completed by 30 June 2009	Project closure to complete the project	<ul style="list-style-type: none"> <li>Targeted beneficiary administration to resolve outstanding approvals</li> <li>10 Approvals received</li> <li>Conveyancing – 14 properties registered</li> <li>4 Top Structures Completed</li> </ul>	60%	<ul style="list-style-type: none"> <li>Targeted beneficiary administration</li> <li>Revised cost breakdown to include escalation</li> <li>Revise construction program for newly approved subsidies</li> </ul>	R0 Roll over Project-Not budgeted for 08/09. Sufficient funds on the project available.	R2,200,433.98
Greenspark Ext. (138 units) Project Nr: B04020005 Vote Nr: P10553	<ul style="list-style-type: none"> <li>Project planned to be closed 07/08.</li> <li>Not originally planned for 08/09.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation phase</li> <li>Construction of top structures</li> <li>Project closure to complete the project</li> </ul>	<ul style="list-style-type: none"> <li>Implementation Phase</li> <li>42 Top Structures completed</li> </ul>	Completion of project 08/09 financial year	Remaining 8 top structures to be completed in accordance with revised program.	R0 Roll over Project-Not budgeted for 08/09. Sufficient funds on project available.	R163,119.34
Blybank (563 units) Project Nr: G9803315 Vote Nr: P10665	<ul style="list-style-type: none"> <li>Project planned to be closed 07/08</li> <li>Not originally planned for 08/09</li> </ul>	Project closure to complete the project	<ul style="list-style-type: none"> <li>36 Top structures completed</li> </ul>		Project to be closed off.	R0 Roll over project-Not budgeted for 08/09. Sufficient funds on the project available.	R836,679.00

## KPA 1: INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

## WATER AND SANITATION

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Replacement Old Meters with prepaid water meters	30 June 2009	Prepaid water meters installed	0%	Project on hold due to court case of Johannesburg Water	None	R2,000,000	R0
C/ville Ext 9 Bulk Pipeline	30 June 2009	Bulk pipeline installed	10%	None	Quotation phase	R400,000	Roll over 09/10
Replacement of Blybank Reticulation	30 June 2009	Blybank reticulation replaced	10%	None	None	R500,000	R50,186.48
Ground water investigation	30 June 2009	Ground water investigation	Project frozen	N/A	N/A	R180,000	R0
Water borne toilets X99 (roll over project)	Project planned to be completed 07/08. Not originally planned 08/09	Waterborne toilets X99	Project implementation	100%	Revised program	R0 Roll over project. Not budgeted for 08/09. Sufficient funds on project available	R282,626
Sanitation Rural Phase 2 (Roll over project)	Project planned to be completed 07/08. Not originally planned 08/09	Sanitation Rural Phase 2	Project implementation	100%	Revised program	R0 Roll over project. Not budgeted for 08/09. Sufficient funds on project available	R5,407.90

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Water Loss Management (Roll over project)	Project planned to be completed 07/08. Not originally planned 08/09	Reduction in Water Loss	Business plan for MIG funding not approved	100%	Application for funding through business plan in 09/10	R0 No MIG funding approved for budget	R262,855.25
Kokosi X99 Bucket Eradication (Roll over project)	Project planned to be completed 07/08. Not originally planned 08/09	Bucket eradication	Project implementation	100%	Revised program	R0 Roll over project. Not budgeted for 08/09. Sufficient funds on project available	R212,867.20

#### WATER AND SANITATION – WATER CARE WORKS

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Khutson'g WwP (692)	30 June 2009	WwP provided	98%	None	None	R9,045,000	R7,864,004.82
Kokosi WwP (682)	30 June 2009	WwP provided	85%	None	None	R14,045,101	R13,958,154.99

## CIVIL ENGINEERING – ROADS AND STORMWATER

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Greenspark access road (Roll over project) (648)	30 June 2009	Access roads built	Project completed. Awaiting retention period of six (6) months	Project on schedule	N/A	R2,495,448	R2,435,068.11

## CIVIL ENGINEERING – PUBLIC WORKS

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Construction of lifts (head quarters)	30 June 2009	Lifts constructed	Tender closed on 24/04/09. Awaiting tender adjudication	N/A	Revised program	R650,000	R0
Office accommodation	30 June 2009	Office accommodation provided	Completed	N/A	N/A	R285,000	R165,660.25

INFRASTRUCTURE SERVICES							
ELECTRICAL ENGINEERING							
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Bulk supply C/ville (537)	30 June 2009	Bulk electricity supplied	Design stage	Contractor to be appointed March 2009	N/A	R10,000,000	R1,342,802.30
Bulk supply F/ville (538)	30 June 2008	Bulk electricity supplied	35% - Construction stage	N/A	N/A	R20,000,000	R19,692,928.67
Standby generator – Head Office	30 June 2009	Standby generator installed	15% - Awaiting tender adjudication	85%	Tender adjudication	R800,000	R0

HEALTH AND ENVIRONMENT SERVICES – WASTE MANAGEMENT							
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
(b) Construction of transfer station (ph 2) Fochville Projects (a) & (b) are known as Fochville landfill site (one project)	30 June 2009	Landfill site rehabilitated and transfer station constructed	0%	100%	Applied for closure and environmental authorization	R 5 873 291, 00	R16,500.00
(c) Construction of drop-off centre – Wedela (Roll over project)	30 June 2009	Drop-off centre constructed	0%	100%	Tender re-advertisement	R570,000	R0
Rooipoot Landfill site	Project planned to be completed 07/08. Not originally planned 08/09	Rooipoot landfill site cell development	Planning phase completed	100%	Revised program	R0 Roll over project. Not budgeted for 08/09. Sufficient funds on project available	R830,326.88



# PARKS & CEMETERIES

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Nursery Ablution	30 June 2009 Project to be completed	Nursery ablution provided	100%	N/A	N/A	R250,000.00	R200,000.00
Nursery Hot House	30 June 2009	Nursery Hot House provided	95%	5%	Contractor on site	R420,000.00	R15,000.00
Fencing West Wits Cemetery	30 June 2009	Cemetery fencing provided	50%	50%	Project to be motivated by PMU	R1,500,000.00	R750,000.00
Upgrading Wedela Cemetery <b>P679</b>	30 June 2009	Wedela Cemetery upgraded	80%	20%	Construction in process EPWP	R413,590.00	R291,400.55
Khutsong South Cemetery (Phase 2) <b>P645</b>	30 June 2009 Project to be completed	Khutsong South Cemetery extended	100%	N/A	N/A	R1,279,070.00	R900,807.90

## SPORT, RECREATION, ARTS &amp; CULTURE, HERITAGE &amp; LIBRARIES

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Batswaneng Stadium/ Khutsong South (Roll over) <b>P600</b>	30 June 2009	Stadium built	80%	20%	Top up of R1,500,000 has been allocated from insurance payout	R1,588,442	R1,025,064.82
Upgrading Welverdiend Sport Facilities	30 June 2009 Appointment of service provider	Sports field upgraded	0%	100%	Quotes invited	R220,000	R0
Khutsong Library <b>P608</b>	30 June 2009 Appointment of Contractor	Khutsong Library re-built	10%	90%	N/A	R1,000,000	R442,894.74
Greenspark Library <b>P610</b>	30 June 2009 Appointment of Contractor	Greenspark Library built	10%	90%	N/A	R1,000,000	R0
Blybank Library <b>P609</b>	30 June 2009 Appointment of Contractor	Blybank Library built	10%	90%	N/A	R1,000,000	R1,768

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Carletonville Sport Complex (Phase 2) (roll over project)	Project planned to be completed 07/08. Not originally planned 08/09	Carletonville Sport Complex (Phase 2)	Project implementation	100%	Revised program	R0 Roll over project. Not budgeted for 08/09. Sufficient funds on project	R623,310.32

#### TOWN PLANNING

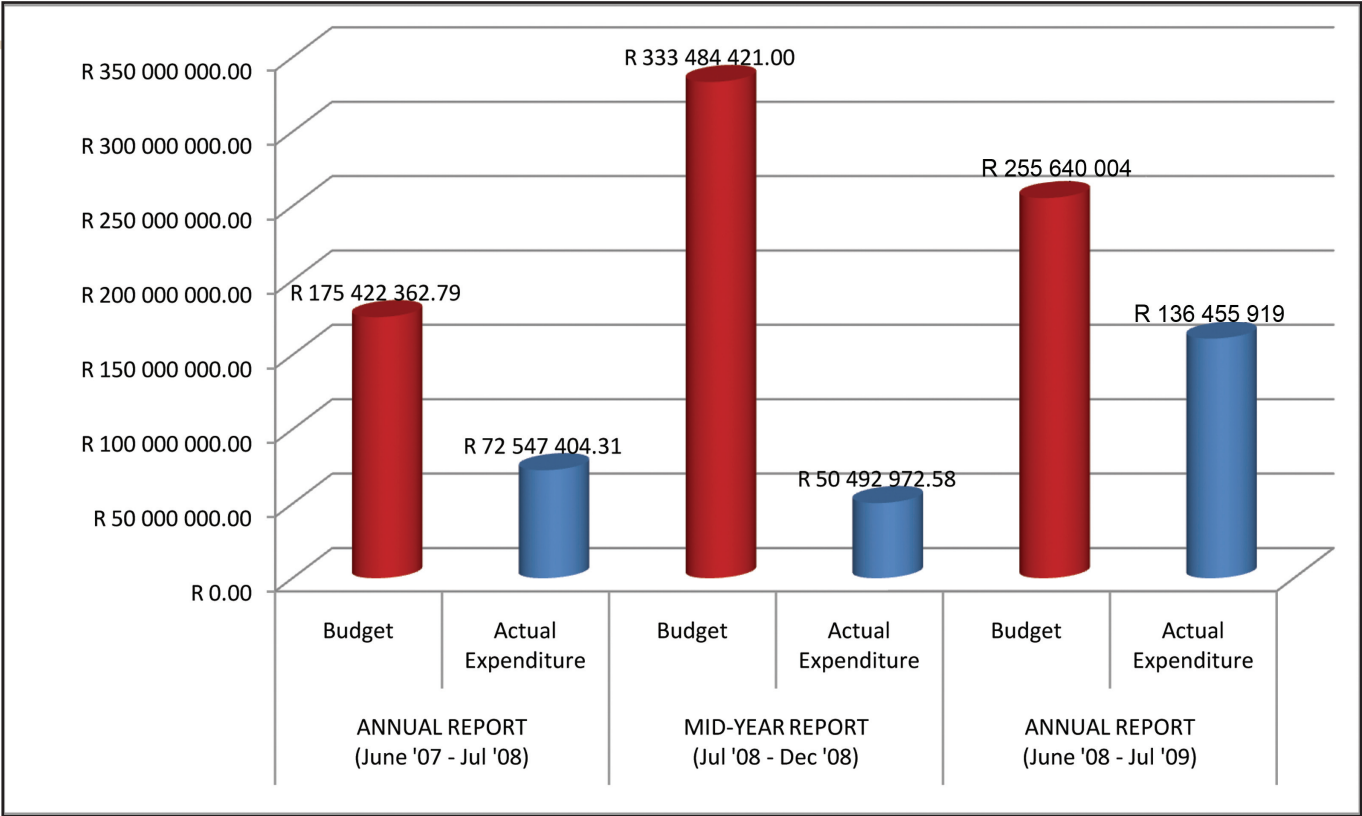
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Welverdiend & Other areas - Geotech	30 June 2009	Geotech studies	Study completed – September 2008	Project completed before target date	N/A	R1,000,000	R927,810.66

KPA 2: LOCAL ECONOMIC DEVELOPMENT							
LOCAL ECONOMIC DEVELOPMENT							
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Informal Trade facilities (roll over project)	30 June 2009	Informal trade facilities provided	100%	N/A		R500,650.00	R262,850.48
Feasibility studies (roll over project)	30 June 2009	Feasibility study undertaken	100%	N/A		R288,816	R288,815.79
Concor Business Hive	30 June 2009	Concor business hive provided	0%		Maintenance budget in the 09/10 financial year to be utilized	R500,000	R0
KPA3: FINANCE							
RE-BUILD KOKOSI PAY POINTS							
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
Kokosi	30 June 2009	Re-building of burned down Kokosi Pay points	Still awaiting finalization of Insurance Claim	100% (No movement – claim not yet finalized by insurers)	Weekly follow-ups with insurance by Treasury	R921,053 (total cost to damages on schedule = R1,607,108)	R0



TOTAL CAPITAL EXPENDITURE			
SECTION	2007/2008	MID-YEAR 2008/2009	2008/2009
Housing	R21,657,872.45	R28,147,682.75	R107,147,970.64
Water and Sanitation	R7,135,477.15	R151,902.73	R813,942.83
Water and Sanitation (Water Care Works)	R20,293,701.65	R9,034,284.02	R21,822,159.81
Civil Engineering (Roads and Storm Water)	R1,685,583.67	R2,427,316.11	R2,435,068.11
Civil Engineering (Public Works)	R257,823.29	R35,589.66	R165,660.25
Electrical Engineering	R12,413,820.57	R7,799,201.58	R21,035,730.97
Waste Management	R394,821.34	R16,500.00	R1,892,495.32
Health and Environment (Home Based Care Centres, Shelters & Support)	R90,789.30	R0	R0
Parks and Cemeteries	R149,250.00	R30,574.84	R2,157,208.45
Sport Recreation, Arts & Culture, Heritage & Libraries	R8,041,664.93	R1,404,249.89	R2,093,037.88
Town Planning	R0	R0	R927,810.66
Local Economic Development	R426,602.96	R1,445,671.00	R551,666.27
<b>TOTAL</b>	<b>R72,547,407.31</b>	<b>R50,492,972.58</b>	<b>R161,042,751.20</b>

BUDGET VS EXPENDITURE



YEAR ENDING: June 2009

NAME OF MUNICIPALITY: Merafong City Local Municipality

# PERFORMANCE ON NATIONAL GENERAL KPI's IDENTIFIED IN THE IDP

Key Performance Indicator	Name Projects per Development Objective	Planned Performance and Measurable Target	Actual Performance Achieved (2007/2008)	Actual Performance Achieved (2008/2009)	Variance with Planned Performance
The percentage of households with access to <b>basic level of services</b>	Basic level of service	100% access to basic level of services			
Water	Water	100%	100%	100% Proclaimed areas 6,02% Informal and rural areas	None
Sanitation	Sanitation	100%	97%	97% Proclaimed areas 6,02% Informal and rural areas	3%
Electricity	Electricity	100% to formalized household		97%	3%
Sold waste removal	Solid waste removal	100%	95,3%	100%	
The percentage of households earning less than R1 500 per month with access to free basic services	- Indigent free basic services - Formal indigent households	100% free basic services to registered & verified Indigents		4838 receiving subsidy allocations (figure changes as per indigent verification & regular update)	New applications / De-registrations on verifications
Water	Water	100%	100%	100% of formalized areas	
Sanitation	Sanitation	100%	100% (only to formalized households)	100% of formalized areas	
Electricity	Electricity	100%	100% (only to formalized households)	100% of formalized areas	
Sold waste removal	Solid waste removal	100%	86%	100% of formalized areas	

### KPA 3: FINANCIAL VIABILITY & MANAGEMENT

#### FINANCE

Financial Viability	Budget	Planned	Actual	2007/2008	Actual	2008/2009	Variance
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	Capex R 225 640 004	100%			R 136 735 919		53,49%
FINANCIAL VIABILITY							
1. Bank Balances	-R5 000 000	-R5 000 000	R14,677,461		R115 865 252		+R120 865 252
2. Investments	R50 000 000	R50 000 000	R52,025,742		R201 940 374		+R150 940 374
3. Outstanding debtors to revenue	635 days	635 days	435 days		674 days		-39 days
4. Creditor payments	30 days	30 days	30 days		30 days		-
5. Credit rating	Not rated	Not planned	Not applicable		Not applicable		Not applicable
6. External loans	R118 833 780	R118 833 780	R117,003,881		R117 298 157		+R1 535 623
7. Aggregate of bad debts	R296 497 983	R296 497 983	R237,531,958		R304 703 088		-R8 205 105
8. Improvement of debt coverage	As budgeted	As planned	As planned		As planned		
9. Reduction of outstanding service debtors	+16%	+16%	N/A		+17.74%		-1.74%
10. Improvement of cost coverage	Not applicable		N/A				

LOCAL ECONOMIC DEVELOPMENT				
Number of jobs created through municipality's local economic development initiatives including capital projects	Job creation	Jobs to be created - 583	Jobs created - 552	31
- Short term employment	400			
- Long term employment	183			

KPA 4: MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT						
HUMAN RESOURCES						
Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)
The number of people from employment equity targets groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan.	Equity Employment	Equity Employment	13 Black males 14 white males 1 Indian male 3 black females 1 white female Total 32	N/A	N/A	
The percentage of a municipality's budget actually spent on implementing its workplace skills plan.	4 People attending traffic officer	4 people attending traffic officer	4 people trained	None	N/A	
Skills development						



Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	15 People attending Intro to Occupational Health & Safety	People attending Intro to Occupational Health & Safety	15 people trained	None	N/A	R20 520.00	R20 520.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	15 People attending Hazard Identification & Risk Assessment	15 People attending Hazard Identification & Risk Assessment	15 people trained	None	N/A	R23 940.00	R23 940.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	15 People attending Advanced Occupational Health & Safety	15 People attending Advanced Occupational Health & Safety	15 people trained	None	N/A	R22 230.00	R22 230.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	2 People attending Record Management	2 People attending Record Management	2 people trained	None	N/A	R11390.72	R11390.72
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	5 People attending LED	5 People attending LED	5 People trained	None	N/A	Funded by DBSA	Funded by DBSA

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	5 People attending Policy Making	5 People attending Policy Making	5 trained	None	N/A	Funded by DBSA	Funded by DBSA
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	10 People attending Intro to Project Management	10 People attending Intro to Project Management	10 trained	None	N/A	Funded by DBSA	Funded by DBSA
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	6 People attending HR Management	6 People attending HR Management	6 people trained	None	N/A	R25 200.00	R25 200.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	6 People attending Local Performance Management	6 attended Performance management	6 people trained	None	N/A	R 16900.00	R16900.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 People attending Intro Project Management	4 attended Intro Project Management	4 People trained	None	N/A	Funded by DBSA	Funded by DBSA

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 People attending Advanced Project Management	4 attended Advanced Project Management	4 People trained	None	N/A	Funded by DBSA	Funded by DBSA
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	8 people CS3 Course Photo Shop1	8 people CS3 Course Photo Shop 1	8 trained	none	N/A	R33,550.00	R33,550.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	8 people CS3 Course Photo Shop2	8 people CS3 Course	8 trained	none	N/A	R33,550.00	R33,550.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	8 people CS3 Course Illustrated	8 people CS3 Course	8 trained	none	N/A	R33,550.00	R33,550.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	8 people CS3 Course In design course	8 people CS3 Course	8 trained	none	N/A	R33,550.00	R33,550.00

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 people attended Water and Treatment training	4 people attended Water treatment training	4 trained	none	N/A	R15,561.00	R15,561.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 People attending Local Transformation Management	4 attended Transformation Management	4 Trained	none	N/A	R16,900	R16,900
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	15 people attending report writing training	15 people attended report writing training	15 trained	none	N/A	R24,50.00	R24,750.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	15 people attended minute taking course	14 attended minute taking course	14 trained	1	To make sure all the people are available for the date scheduled for training	R24,750.00	R24,750.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	19 People attending Train the Trainer	19 people attended Train the Trainer	19 trained	1	To make sure all the people are available for the date scheduled for training	R34,200.00	R34,200.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	2 People attending Conducting an audit from cradle to grave	2 Attended	2 trained	None	N/A	R7,600	R7,600

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	3 People attended Effective Report Writing	3 Attended	3 Trained	None	N/A	R9,000	R9,000
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	2 People attended Audit for non auditors	2 people attended	2 People trained	None	N/A	R8,640	R8,640
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	20 People to attend Fire Arm Training	20 People attended fire arm training	20 Trained in fire arm training	None	N/A	R23,894.40	R23 894.40
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 People to attend IDP Training	4 People attended	4 People trained in IDP	None	NA	R16,000.00	R16,000.00
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	20 people to attend customer care training	20 people attended customer care training	15 people trained in customer care	5 people didn't attend	To make sure that the Managers/Supervisors release people for the training.	Funded by DBSA	Funded by DBSA
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	6 People to attend Protocol & Etiquette training	6 People attended Protocol & Etiquette	6 People attended Protocol and Etiquette	None	N/A	Funded by Southern District Municipality	Funded by Southern District Municipality
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	80 people were suppose to attend customer care training	80 people attended customer care training	73 people trained in customer care	7 people didn't attend customer care training	To make sure that the Managers/Supervisors release people for the training.	Funded by DBSA	Funded by DBSA



Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 People were suppose to attend Project Management	4 people attended project management training	4 people trained in project management	None	N/A	R16,900	R16,900
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	40 People were suppose to attend the customer care training	40 attended customer care training	20 people trained in customer care	20 people didn't attend the customer care training	To make sure that the Managers / Supervisors release people for the training. To ensure communication flow.	Funded by DBSA	Funded by DBSA
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	4 People were suppose to attend the Certificate in Municipal Governance training	4 attended Training in Certificate in Municipal Governance	4 People trained	None	N/A	R56,000	R56,000
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	3 People were suppose to attend Executive Leadership Development Management Program	3 Attended training in Executive Leadership Development Management Program	3 People were trained	none	N/A	R45,000	R45,000
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	Training Committee (10) were suppose to attend Basic Policy Principle	12 Attended training	12 People were trained	Only 3 Training Committee Members attended Training	To make sure that all the trainings are co-ordinate from Skills Development and Training Office. To make sure that the relevant people are available to attend scheduled trainings.	Funded by DBSA	Funded by DBSA

Projects/Programs per development objective	Planned performance & measurement target	Key Performance Indicator	Actual Performance Achieved	Variance with planned performance	Improvement plan where applicable	Budget (R)	Actual expenditure (R)
The percentage of a municipality's budget actually spent on implementing its workplace skills plan. • Skills development	3 People to attend Payroll Training	3 People attended Payroll Training	3 People were trained	None	N/A	R9,000	R9,000

NUMBER OF PEOPLE TRAINED	
2007/2008	2008/2009
59	350

#### REMEDIES TO IMPROVE MUNICIPAL PERFORMANCE

Despite the fact that the spending on the capital budget and projects have increased by 22%, year-on-year, the streamlining of procurement processes have been identified as a remedy to improve municipal performance on project expenditure.

#### OTHER COMMENTS ON PERFORMANCE MANAGEMENT:

An electronic performance management system was procured and implemented during the year. The optimization of the system will improve performance management and reporting in the municipality to ensure an efficient and effective performance management system.

#### INFORMAL HOUSEHOLDS

- NB: 1) Water is provided free in all informal households through 200m radius standpipes (16 038 households).  
2) Solid waste removal is rendered free to informal households through communal dumping skips (16 038 households).  
3) Public lightening is provided free through high mast lights (16 038 households).  
4) Households sanitation and electricity will be provided once 27 326 informal households have been relocated to formalized areas.